GOVERNMENT OF INDIA
AGRICULTURE
LOK SABHA

UNSTARRED QUESTION NO:382
ANSWERED ON:19.11.2007
INDEBTEDNESS TO FARMERS
Vijay Krishna Shri

Will the Minister of AGRICULTURE be pleased to state:

(a) the details of findings of National Sample Survey Organisation (NSSO) Report No. 498 regarding farmer household indebtedness;

(b) whether debt burden on each farmer is more than the average annual per captia income for Country/States;

(c) if so, the details thereof;

(d) whether providing liberal/enhanced institutional credit to farmers by banks has increased their debt-burden; and

(e) if so, the reaction of the Government thereto and the steps taken by the Government in this regard?

Answer

MINISTER OF STATE IN THE MINISTRY OF AGRICULTURE (SHRI KANTI LAL BHURIA)

(a): As per the report No. 498 on the `Indebtedness of Farmer Households` (as part of Situation Assessment Survey of Farmers − 59th Round) of NSSO, of the 89.35 million farmers households, 43.42 million (48.6%) were reported to be indebted to either formal or informal or both sources of credit. Of the indebted farm households, 54% were indebted to formal sources. Of the total farm households, the coverage by formal sources (Banks, Cooperatives and Government) was 26%.

(b): The findings of NSSO Report No. 498 reveal that the average debt-burden per farmer household is Rs.12,585 as against per capita net national product of Rs.20,936 during 2003-04 (Rs.18,263 at 1999-2000 prices). In the States of Andhra Pradesh and Rajasthan, the debt burden was more than the average annual per capita income of the respective state.

(c): State-wise details of income and average amount of outstanding loans per farmer households are annexed.

(d): No, Sir.

(e): Does not arise.